

## Entrepreneurial Labour VS. Entrepreneurial Activity: The Distinction Between the Concepts from the Perspective of a Market Approach

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**Abstract:** The entrepreneurial labour is appraised as a special commodity, the creative characteristics of which fully determine the efficiency of the competitive economy, possibilities for producing goods of high quality and convenient services and scales and tempo of scientific, technical and organizational changes. Any entrepreneurial activity is always entrepreneurial labour, but not all entrepreneurial labours can be registered as entrepreneurial activity. Both the development of the market for entrepreneurial labour, which shows itself in a degree of entrepreneurial activity and the presence of entrepreneurial potential let one judge about the entrepreneurial climate of either a definite country or region. This article analyzes correlations between the market for entrepreneurial labour and that for entrepreneurial activity and estimates the level of development of Russia's market for entrepreneurial labour on the basis of both the level of entrepreneurial activeness and the capacity of entrepreneurial potential.

**Key words:** Entrepreneurial work • Entrepreneurial activity • Entrepreneurial labor market • Entrepreneurial potential • Entrepreneurial activeness.

### INTRODUCTION

The development of entrepreneurship is the most important indicator of both the degree of success for market reforms and the level of efficiency for a competitive economy. Nevertheless, many researches associate the level of economic development with the level of development of entrepreneurial activity, ignoring the analysis of the market for entrepreneurial labour. Meanwhile, the development of entrepreneurship becomes possible only in the presence of essential entities; the appearance of which means the presence of a particular social situation, when ideological, political and socio-economic conditions provoke the entrepreneurial boom. It is the development of the market for entrepreneurial labour showing itself in a degree of entrepreneurial activity and the presence of entrepreneurial potential that allow one to make judgments about the entrepreneurial climate of either a definite country or region. Thus, the main objective of this paper is to reveal the key characteristics of entrepreneurial labour and to analyze both interdependence of the

market for entrepreneurial labour and that for entrepreneurial activity and their development in contemporary Russia.

**Entrepreneurial Labour Vs. Entrepreneurial Activity:** According to the majority of economic scientists, all active functions of people are done through either employed or free labour. The concept of labour itself is usually associated with the labour that is both unfree and forced. Since capitalism was established and economic enforcement to labour came into force, the entrepreneurial functions were negatively explained as *exploitation of working force*. And the situation stayed the same for several centuries.

The hired labour is associated with the working force produced by people at the employer's disposal, subject to both compensation and other conditions agreed by the parties. "The hired labour doesn't mean unfree labour. Those cases, when the abilities of the salaried employee satisfy the possibilities provided by the society for improving these abilities, the connection of the form and content takes place. And labour results exist far beyond

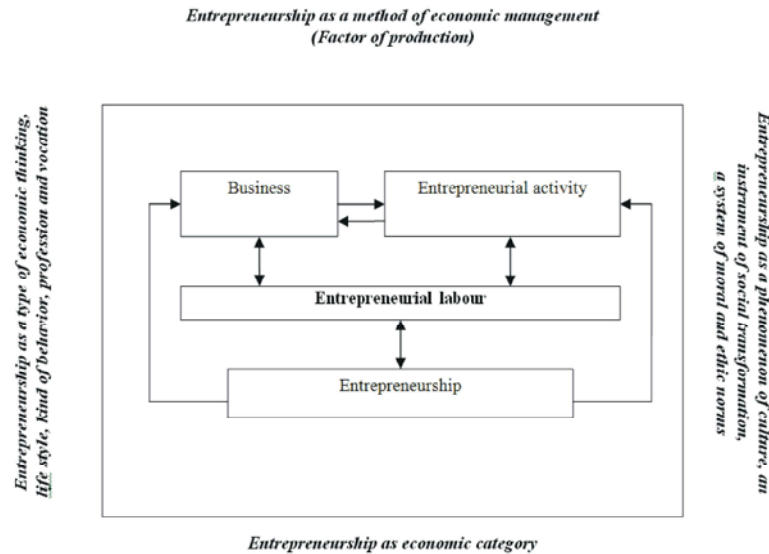


Fig. 1: Correlations of entrepreneurship, entrepreneurial activity, business, and entrepreneurial labour

the limits of time, territory, national borders, being independent from the social structure. The labourer can both work for hire and be free to act and create; this usually characterizes the workers of intellectual labour.”[1] At the same time, the entrepreneurial labour as self-employment - an exploitation-free labour (i.e., the entrepreneur is the owner of means of production) – can often be a dependant labour as it depends on the outer environment, e.g., on the market conjuncture or the state. This means the division of labour into either hired or free is considered to be an anachronism by the present civilized society, as relating to the contemporary level of development of the human civilization, there must occur various levels of labor freedom. As soon as the intellectual capital had appeared, a hired worker-owner came into life, who can be considered as not only a hired worker in its traditional sense but also a business partner protected by property, with alternative sources of income, working for hire on the basis of a free choice of any type of activity.

Obtaining property by a human (worker) induces him to become an “entrepreneur” at least to manage his own property/capital. In this situation, labour becomes an essential and natural condition for existence of any person irrespective of his income level. Such conditions initiate common labour, transforming it into the most important motive for a person’s life activity. This brings the necessity of separating the two concepts of “hired labour” and “entrepreneurial labour”, because of the difference in their ways of coming into labour, providing employment and entering business relations.

Thus, one can associate a work for hire with not only both “labour” and “profession” but also with business; likewise, entrepreneurship can be associated with not only business/entrepreneurial activity but also with labour and profession. Moreover, any entrepreneurial activity is always entrepreneurial labour, but not all entrepreneurial labours can be registered as entrepreneurial activity. In this context, the basis for entrepreneurship is entrepreneurial labour, as the entrepreneurial activity cannot exist without it. Many foreign scientists touched upon the issues on entrepreneurial labour, but they didn’t differentiate these concepts. Meanwhile, being interdependent, these concepts must be discussed separately, beginning with the entrepreneurial labour, as it derives the entrepreneurial activity (Fig 1).

The entrepreneurial labour is a special type of labour featuring a set of characteristics, the most essential of which include independence, free initiative, high psychological tension and responsibility. Labour and entrepreneurial activity characterize different aspects of entrepreneurial activity from establishing the idea of running business up to the operation of the entrepreneur in various forms and at various levels of the economic system.

**Interrelation Between the Market for Entrepreneurial Labour and That for Entrepreneurial Activity in the Context of Subjective Approach:** Both entrepreneurial labour and entrepreneurial activity are integral ways to fulfill a set of entrepreneurial functions, enabling the

accentuation of two interrelating, interdependent markets – the market for entrepreneurial labour and the market for entrepreneurial activity - which represent principally new segments of the common national market for labour resources as a socially important market, which highly influences the development of the national economy, especially under growing globalization.

In spite of the fact that the market for entrepreneurial labour features the sales of both the ability to labour and that to entrepreneurial activity (i.e., competence, entrepreneurial gift) and the market for entrepreneurial activity realizes entrepreneurial abilities, they are interlinked by the key bearers of these abilities - entrepreneur-owner and entrepreneur-hired worker – whose background motive deals with property (means of production, intellectual capital) as an intrinsic need in a socially beneficial activity.

The entrepreneur-owner fully possesses the means of production and manages the results of his labour monopolistically. The entrepreneur-hired worker features a partial ownership of the means of production and works for not only himself but also the entrepreneur-owner, which means he doesn't manage his labour results monopolistically (e.g., top-managers, inventors, analysts, researches, market forecasters, coaches, merchandisers, etc.) The entrepreneur-hired worker differs from a regular hired worker in creative, initiative and innovative approaches to the laboring process, in broader world views, in his possibility to find nonstandard solutions, in analytical habit of mind. Neither the entrepreneur-owner nor entrepreneur-hired worker can enter the market for entrepreneurial activity without entering the market for entrepreneurial labour.

Both the market for entrepreneurial labour and that for entrepreneurial activity should be treated as separate independent markets, which make a significant impact on national economic development.

The market for entrepreneurial labour, which is explained as a special market for labour resources, is associated with a system of continuously reproduced socio-economic relations between its participants in regard to the purchase and sale of entrepreneurial labour. Such relations could involve entrepreneurs-owners of means of production, who either needs or wishes to start new business; entrepreneurs-hired workers, who are in need of working for hire; ex-entrepreneurs; various governmental bodies; social institutes and mediators that demand for entrepreneurial labour as far as its

distribution, redistribution, hire and inclusion in the process of social reproduction and that afford ground for both the initiation and operation of a new entrepreneurial structure.

The relations based on the "purchase and sale" of entrepreneurial labour differ from their classical understanding since the act of purchasing and selling the ability to entrepreneurial labour means either the establishment of a new entrepreneurial unit, or the discontinuation of activity of the existing one due to the entrepreneur's transition to the family of special hired workers. Entering the market for entrepreneurial labour, any economic entity decides on operating as an entrepreneur-owner; but not all the decision makers occur to be entrepreneurs in reality and start new business, as every new entrepreneur, irrespective of an activity type, has to either become registered in various public authorities or gain support of certain public institutes and mediators of the market for entrepreneurial labour. Likewise, not all entrepreneur-managers or hired workers realize their right to labour. If the state, public institutes and entrepreneurs themselves provide this support, "hiring" of entrepreneurial labour will occur; otherwise, the "hiring" doesn't happen (in this case, the entrepreneur may enter the shadow sector and cannot be considered as an operating market participant).

The market for entrepreneurial labour features a set of characteristics. First of all, the entrepreneurial labour is appraised as a special commodity, the creative characteristics of which fully determine the efficiency of the competitive economy, possibilities for producing goods of high quality and convenient services and scales and tempo of scientific, technical and organizational changes. The prevailing harmony of interests of both the entrepreneurial labour and its users, i.e., national economy, the state, business, constitutes the most essential characteristic of the socially-oriented market economy, which builds a stable humanistic basis for the development of the entire society. Secondly, the operation of the economic entity in the market for market for entrepreneurial labour depends on the availability of reliable information, on the level of development of the property relations, on the competition and on the state regulation. The steadiest position in this market is held by those entrepreneurs that associate labour with the want rather than need. In this regard, the market for entrepreneurial labour, in the most generalized view, can be presented as three main segments.

- Entrepreneur as an owner of the means of production, who wishes to start new business. This implies, firstly, readiness to a change in the person's life; secondly, a will to experience a prestigious undertaking; thirdly, confidence in feasibility of this undertaking, as there exists necessary intrinsic and extrinsic prerequisites [2]. The distinctive features for the entrepreneur-owner include independence, responsibility, riskiness, initiative, a tendency towards creativity; innovation; aspiration to self-development; a strong will that helps to overcome not only inertia of both own and public thinking but also environment resistance; the ability to get the job accomplished; the ability to band people around oneself; the size of initial capital.
- Entrepreneur as a hired worker (corporate entrepreneurship), who features a partial ownership of the means of production (as a rule, he owns his private capital) and works for not only himself but also the entrepreneur-owner, which means he doesn't manage his labour results monopolistically (e.g., top-managers, inventors, analysts, researches, marketologists, coaches, merchandisers, etc.). The distinctive features for the entrepreneur-manager include, rather than both endeavor to be high-salaried and routine, a creative, initiative approach to work, which deals with flexibility of thinking; analytical habit of mind; ability to generate commercial and other ideas; presence of gumption; mind openness; ability to find a non-routine decision.
- Ex-entrepreneur, who wishes either to organize business in a new sphere or to labour "for hire" (in both business and other spheres).

The present-day market for entrepreneurial labour can be subdivided into primary market and secondary market. The primary market experiences the operation of entrepreneurs-owners, who have for the first time decided to launch new business and entrepreneurs-managers or ex-entrepreneurs, who will to work "for hire". The secondary market is presented by either ex-entrepreneurs or entrepreneurs-managers, willing to start new business, or entrepreneur-owner, who have decided to work "for hire".

The most numerous and diverse group in the market for entrepreneurial labour involve both able-bodied and qualified personnel, which become partially or fully jobless as a result of various conversion processes in the

industry, science, education, etc. and, thereby, are in need of an attentive research and support from public institutes. New participants enter the entrepreneurial market come from the spheres of trade, consumer services, rendering of various services; such entities are most successfully adapted for the market situation and possess the minimum necessary requirement of special knowledge and skills. A dynamically increasing group in the market for entrepreneurial labour is the youth who have graduated from various educational institutions, who can't obtain employment due to the specialty they majored in and make the decision "to go to business", lacking, as a rule, necessary knowledge and training. However, the youth is the most perspective social group in the market for entrepreneurial labour, in virtue of its ability to active participation in the economic life of the society and being in need of support from the state [3].

Entering the process of professional activity (i.e., leaving the market for entrepreneurial labour), entrepreneurs independently realize their professional competence and become participants of the market for entrepreneurial activity, which is explained as a system of economic mechanisms, norms and institutes guaranteeing an effective functioning of entrepreneurial abilities [4]. The market for entrepreneurial activity is a system of relations between entrepreneurs-owners, entrepreneurs-hired workers, ordinary hired workers, suppliers, partners, the state, public institutes, etc. in regard to using or re-producing entrepreneurial abilities to conduct entrepreneurial activity oriented towards producing and realizing goods and services, satisfying various social needs under the market economic conditions; i.e., achieving the targeted result through the best use of both the capital (e.g., property or other stocks) and resources (e.g., financial, material and technical, labour resources) by economically separated entities of the market economy, who bear a full property responsibility for the results of their activity and comply with the legal norms of the country, where such entities have their activity registered. The correlation between the market for entrepreneurial activity and that for entrepreneurial labour can be represented by the following scheme (Fig.2).

The mechanism of correlation between the two socially important markets – the market for entrepreneurial labour and the market for entrepreneurial activity – is always mediated by public institutes, which prevail over both private and social ones, but the success of this correlation is more likely to be pre-designated by the state

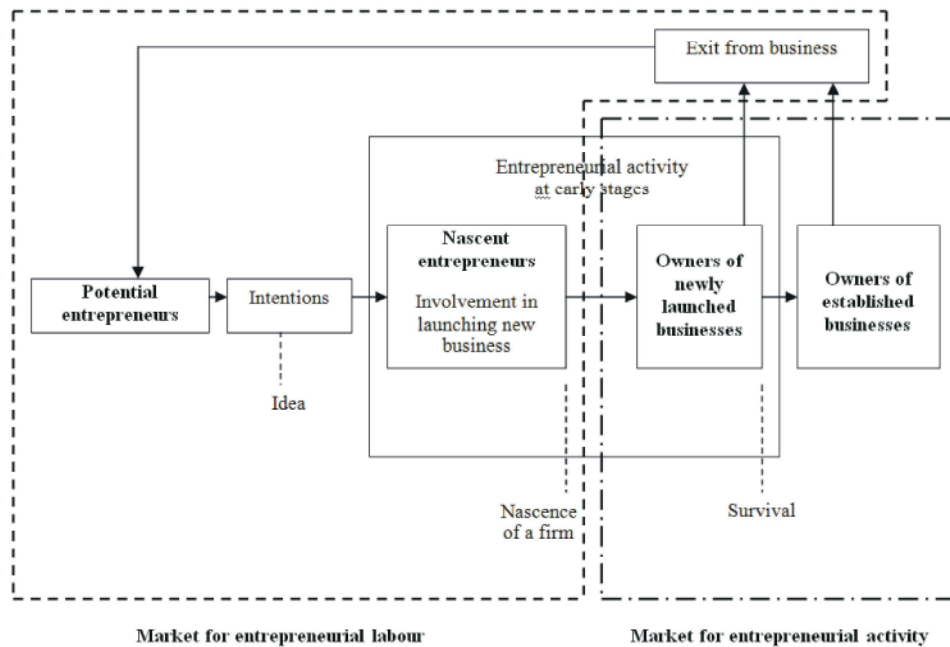


Fig. 2: Correlation of the market for entrepreneurial labour and that for entrepreneurial activity in the context of subjective approach\* \*- Improved by the author with the reference to the GEM 2011National Report

Table 1: Comparative analysis of the market for entrepreneurial labour and that for entrepreneurial activity

Criteria of comparative analysis	Market for entrepreneurial labour	Market for entrepreneurial activity
Objects	Entrepreneurial labour (ability to both labour and entrepreneurial activity, i.e., entrepreneurial abilities (competence and entrepreneurial talent))	Entrepreneurial activity as the ability to commercial risk-based activity
Subjects	Entrepreneurs-owners of means of production, entrepreneurs-hired workers, ex-entrepreneurs, various governmental bodies, public institutes and mediators (recruitment agencies, placement services, employment centres, etc.)	Entrepreneurs-owners of means of production, entrepreneurs-hired workers, hired workers, various governmental bodies, public institutes and mediators (suppliers, partners, investors, etc.)
Mission	"Purchase and sales" of entrepreneurial labour, which means either nascence/establishment of a new entrepreneurial unit or termination of the activity of the existing one due to the entrepreneur's transition to the family of hired workers	Use or re-production of entrepreneurial abilities for conducting the activity aimed at production or realization of goods and services, at satisfying social needs under the market economic conditions, i.e. at achieving the targeted result through the best use of both the capital (e.g., property or other stocks) and resources (e.g., financial, material and technical, labour resources) by economically separated entities of the market economy

rather than market, as both subjects (entrepreneurs, hired workers) and purchase-and-sale objects (competence and entrepreneurial talent) aren't oriented, in the process of market interaction, to the equilibrium price set by the market, but to the demand price, which is conscientiously set by the government and settled in educational markets being socially important and forming a quality of the offered goods (ability to labour and entrepreneurial talent). The revealed differences between the market for entrepreneurial labour and that for entrepreneurial activity are shown in Table 1.

The diversity of types of entrepreneurial activity and those of entrepreneurs and the complication of social and economic structure of the society must be accompanied by timely implementation of motivation mechanisms, which are adequate to this structure and orienting various social groups, layers and classes towards effective labour, to a positive social behavior, to realizing the common national idea on economic renovation of the country in the present-day conditions, thus providing welfare and social harmony.

**Contemporary Market for Entrepreneurial Labour in Russia:** Effective entrepreneurial activity becomes possible only under definite social conditions, meaning the situation in the market; hence, it is essential to develop, not only the market for entrepreneurial activity, but also and more importantly that for entrepreneurial activity.

Let us systematize the papers by Russian and foreign researches and report the data on the development of Russia's contemporary market for entrepreneurial labour.

As part of analyzing the market for entrepreneurial labour, the following participants will be investigated:

- Entrepreneurs (i.e., the data on entrepreneurs' activities are few, thus placing entrepreneurs in a subordinate position in this research);
- Potential entrepreneurs (according to the GEM Report, these are the entities, who see possibilities in the external environment for launching their own ventures and are confident in possessing knowledge necessary for managing their own companies. They also include those who plan to start business within next three years);
- Nascent entrepreneurs (starters) – those, who have been taking actions to launch business.

“Unfortunately, the data gained as a result of polling 7.5 thousand representatively selected Russian adults in 2011 show this country is dramatically lagging behind not only all the other BRIC participants but also most of the countries of Eastern Europe in the level of entrepreneurial activity,” noted Chepurenko A., Professor at the Higher School of Economics, Russian GEM Project 2011 manager.

The matter deals with not only the lowest level of early-stage entrepreneurship among 54 countries participating the project (Russia with 4.3 percent, followed by Malaysia with 4.9. percent and Hungary with 6.3 percent) but also the high level of pessimism about the possibility for the conditions to be positively changed for entrepreneurial development in the regions of the people's residence in the nearest future. This also shows Russia was indexed +5 percent and was ranked in last place amongst the group of medium developed countries on the level of increase in entrepreneurial activity of 2011, compared with 2010.

Nevertheless, according to Chepurenko A., the Russian society features a rather stable proto-entrepreneurial core, the size of which is still subject to fluctuation, being influenced by a set of factors and conditions and differ significantly under interregional comparison.

The level of entrepreneurial activity (at the stages of potential, early-stage or stable entrepreneurship) seems to be a kind of response to the correlation of the individual's existing views about external possibilities for entrepreneurship and his real abilities (competence) to this activity. Only when external possibilities are complemented by necessary competence in the society's vision, both the economy and society get a social stratum associated with the potential for entrepreneurial recruitment. Even if both infrastructure for small business development and rather positive attitude to small businesses exist, its intensive development is hardly possible without enough social and cultural capital, without initial financial resources and with a low readiness of the society to be self-employed and undertake entrepreneurial activity [5].

Therefore, the studies of the factors of improving social self-confidence in business abilities may be used in forecasting the development of entrepreneurial potential; this issue is currently on the agenda for the Russian social and economic environment because of both the growing tension in the labour market and other crisis manifestations.

The entrepreneurial potential should be explained as a group of all natural persons ready to launch business ventures.

In 2011, Russia showed 7.78 percent of potential entrepreneurs aged from 18 to 44. The average age of potential entrepreneurs equals to 37 years. The activity of potential entrepreneurs decreases as they grow up. Young people demonstrate most activity – 11 percent of young men and 7.5 percent of young women from the same age group plan to launch business. The elder groups show decrease in activity. Stable entrepreneurs involve age group of “35-44” and that of “45-54” (Fig.3).

All gender differences are insignificant. Nevertheless, the percentage of men (8.54%) exceeds the same level for women (7.09%). The early-stage entrepreneurial activity involves 5 percent of men and 3.8 percent of women; their ration is 55.3 percent and 44.7 percent correspondingly. 60 percent of newly launched business owners are men; and the gender structure of nascent entrepreneurs is rather homogeneous. The ration of men and women for stable entrepreneurs is also equally proportioned – 53 percent of men and 47 percent of women [6]. It is interesting that men are more likely to start entrepreneurship but with less success at the stage of the company's survival.

Estimating the entrepreneurial potential of a country, an important index deals with a number of those, who are inclined to take ventures, i.e. who have an entrepreneurial intention. The level of entrepreneurial intentions in

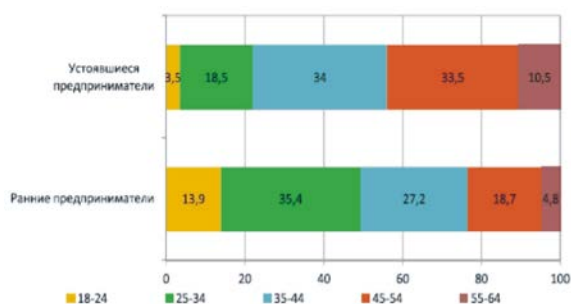


Fig. 3: Ranging of early-stage and stable entrepreneurs due to their age, 2011, %\* \*-APS Russia 2011 ref.

Russia is the lowest compared to that of the GEM Project participants (only the UAE features a lower level). This level averages approximately 25 percent in regard to the whole group of the countries with efficiency-oriented economics. In 2011, only 5.8 percent of the Russia respondents expressed their will to start own venture in next three years (the selected group numbered 7500 people aged from 18 to 64).

It is essential to emphasize that the Russian respondents showing entrepreneurial intent include 40 percent of existing entrepreneurs, who plan to launch a new business. Only 3.6 percent of Russians could trigger a fresh flow into Russian entrepreneurship. If a group of entrepreneurs is experiencing an increase in the ration of existing business owners, who launch new ventures, this could evidence two trends. Firstly, this reveals the entrepreneurial strata to be rather close, i.e., the group itself experiences the recruitment of new businessmen from its participants and doesn't grow due to new outer starters' entering. And secondly, this shows the unfavorable conditions of the outer business environment. If the entrepreneur launches new projects as separated businesses, thus forming a so-called umbrella structure, rather than ensuring an organic growth to the existing business, he is likely to both escape from control bodies and avoid market entrance monopolistic limitations imposed by larger business structures [7].

The majority of those willing to launch business are the residents of the cities populated by more than 500 thousand people.

The highest level of entrepreneurial intention is observed for the respondents experiencing part-time employment (8.5 %). This can be caused by both existing conditions of labour and payment level. The group with the observed increase engages students, 5.7 percent of which noted that they were planning to launch own venture in next three years, with 1% of them having experienced start-ups. Among those, who make attempts

Table 2. The portrait of the potential consumer\*

Categories	Characteristics
Average age	36-37
Sex	Male
Education	Higher
Residence	City with the population of 500 thousand people
Sphere for operation	Retail sales, wholesales, building, personal services, security agencies, technical services, agricultural production, information services, consulting services, legal services

\*-Based on the GEM Report

to run business and do not gain any income yet, the greatest activity is shown by the unemployed. However, in 2011, only one in every sixteen expressed readiness to become a businessman in the future, which is much lower than the level of 2008 when every seventh unemployed was ready to launch new business. Thus, the portrait of the potential consumer can be presented by Table 2.

In general, according to the given portrait, the potential entrepreneurship is neither sufficiently developed in megalopolises (the majority of residents there prefer to work for governmental structures and big companies, meaning that both entrepreneurial structures and the country's economy are unstable) nor oriented toward innovation. Entrepreneurship is ventured by those who prosper in life and have an experience of owning business. The potential entrepreneurial strata are, first of all, the people, who have already formed a real notion of this activity, basing on their personal experience and that of their friends. It may be said that there is a definite social environment engaging both entrepreneurs and potential entrepreneurs, with its peculiar socio-demographic characteristics described hereinbefore. This is the environment, which generates people prone to entrepreneurship; and the success of their attempts depends on not only a person himself but also the resources of his surroundings. Such data evidence entrepreneurship deals with the necessity to receive income worthy to keep a family and oneself rather than self-actualization and the introduction of new ideas and technologies.

The majority of both early-staged and stable entrepreneurs in Russia are engaged into the consumer sector. A low involvement of Russian entrepreneurs into the sector for business service rendering (9 percent of early-stage and 8% of stable entrepreneurs) also takes place. This negatively characterizes Russian entrepreneurship. While rendering business services, the competition is based on knowledge and technologies; therefore, it is impossible to develop an innovative economy without the increase of the sector's ration for

the companies of both a high quality and high growth potential. Moreover, according to the data of the Public Opinion Fund Poll, most respondents would like to start a business in the spheres including retail sales, wholesales, building, security services, personal and technical services.

The entrepreneurial activity is measured by the number of, not only started, but also finished businesses. In 2009, for the first time in five years, the ration of entrepreneurial activity turnover (a relationship between those who have entered business in the last year and those who have finished business in the same period) was less than one. This might be due to the economic crisis making it difficult to run a business in such conditions. Nevertheless, in 2011, the number of start-up entrepreneurs exceeded that of those who finished their businesses. The entrepreneurship expansion ratio equaled to 1.55, evidencing a general growth for entrepreneurial potential in its active phase.

As for entrepreneurship, only 3 percent of the population is involved in corporate entrepreneurship; but the variation is rather huge – from none of the potentially involved in Bangladesh to 14 percent of them in Sweden. In Russia, only 0.4 percent of the respondents noted they were currently engaged in entrepreneurial initiatives in their company.

Estimating the level of development of the market for entrepreneurial labour in general, it must be mentioned that in this country the market is insufficiently developed due to various political, social and personal circumstances. But the entrepreneurial potential can be estimated as rather high. Approximately 8 percent of the respondents are planning to take entrepreneurial start-up (i.e., potential entrepreneurs) and nearly 6 percent has taken definite preparation steps to start own venture (i.e. proto-entrepreneurs and latent entrepreneurs).

If to match the findings with the statistically based rating of small business start-up population activity, we should admit that only every eighth proto-entrepreneur reaches the stage of business start-up in one of the possible forms. Others stop trying to undertake own venture at least in legal business. Meanwhile, if one fourth of proto-entrepreneurs could execute their start-up plan, the number of emerging entrepreneurial structures would significantly rise in this country.

## CONCLUSION

- The market economy demands separating the two concepts of “hired labour” and “entrepreneurial labour”, reasoned by the difference in their ways of

coming into labour, providing employment, entering business relations and changing the role of hired worker in public production. The entrepreneurial labour is a special type of labour featuring a set of characteristics, the most essential of which include independence, free initiative, high psychological tension and responsibility.

- Labour and entrepreneurial activity characterize different aspects of entrepreneurial activity from establishing the idea of running business up to the operation of the entrepreneur in various forms and at various levels of the economic system. Both the entrepreneurial labour and entrepreneurial activity are integral ways to fulfill a set of entrepreneurial functions; but they shouldn't be treated as synonyms. The entrepreneurial labour is associated with a definite person's functioning and undertaking in order to execute his will to become an entrepreneur; and the entrepreneurial activity is an objective set of continuously recurrent and changing situations, when various entrepreneurial behavior models of individual, contract and group and contract and organization types occur.
- Entrepreneurs refer to a special psychological type of the human population, the behavior impulse of whom surpasses the level of their instinct for self-preservation. Their natural and essential efforts towards profit is rather compatible with both humanity and nationhood, thus requiring all-round support rather than in need of getting both opposed to the society or separated into a special stratum. This means that for overall expansion of entrepreneurship, it is necessary to establish strong and stable motives to independent economic activity for an economically active population; which, in turn, demands creating stimuli that provoke subjective interest in entrepreneurship.
- The entrepreneurial activity is a rather difficult venture, which requires all human abilities and efforts to be mobilized. This is the activity component, which is extremely important for entrepreneurship. The entrepreneur of “new generation” should feature not only independence, responsibility, riskiness, initiative, creativity but also a high professionalism and efforts towards self-development, as the necessity to constantly participate in competition makes entrepreneurs pay attention to the level of their own professional competitiveness, i.e., the ability to compete with the representatives within his business sphere. The entrepreneur of “new generation” is a person of the future, a “civil society”



representative, an “element of the future in the present”; which makes more economic sense than treating them as representatives of a special group.

- The development of entrepreneurship becomes possible only in the presence of essential entities, the appearance of which means the presence of a particular social situation, when ideological, political and socio-economic conditions provoke the entrepreneurial boom. It is the development of the market for entrepreneurial labour, showing itself in a degree of entrepreneurial activity and the presence of entrepreneurial potential that let one judge about the entrepreneurial climate of either a definite country or region.
- Estimating the level of development of the market for entrepreneurial labour in general, it must be mentioned that in this country the market is insufficiently developed due to various political, social and personal circumstances. But the entrepreneurial potential can be estimated as rather high. Meanwhile, if one fourth of proto-entrepreneurs could execute their start-up plan, the number of emerging entrepreneurial structures would significantly rise in this country and the entrepreneurship wouldn't be associated with involuntary necessity.

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